



**COUNTY OF SAN LUIS OBISPO
DEPARTMENT OF PLANNING AND BUILDING
STAFF REPORT**

Tentative Notice of Action

MEETING DATE February 21, 2014 EFFECTIVE DATE March 7, 2014	CONTACT/PHONE Schani Siong, Project Planner (805)781-4374	APPLICANT Dirt Clod Industries, LLC.	FILE NO. DRC2013-00033
SUBJECT Hearing to consider a request by Dirt Clod Industries, LLC, for a Minor Use Permit to allow the construction of an 8,059 square foot, two-story, commercial/service building and an 8,400 square foot outdoor storage area, to be used for equipment rental and service and outdoor storage of larger equipment. The project site is Lot 14 of Tract 2368, a commercial service business park subdivision, recorded in 2006. The project will result in disturbance of the entire 1.51 acre parcel. The proposed project is within the Commercial Service land use category and is located at 1251 Prospect Street, adjacent to the southern city limits of the City of San Luis Obispo. The site is in the San Luis Obispo planning area.			
RECOMMENDED ACTION 1. Consider and rely on the Mitigated Negative Declaration that was previously adopted on August 14, 2003. 2. Approve Minor Use Permit DRC2013-00033 based on the Findings listed in Exhibit A and the conditions listed in Exhibit B.			
ENVIRONMENTAL DETERMINATION The Environmental Coordinator finds that the previous Mitigated Negative Declaration adopted for Tract 2368, is adequate for the purposes of compliance with CEQA because no substantial changes are proposed in the project which will require major revision of the previous Mitigated Negative Declaration, no substantial changes have occurred with respect to the circumstance under which the project is undertaken which will require major revision of the previous Mitigated Negative Declaration, and no new information of substantial importance has been identified which was not known at the time that the previous Mitigated Negative Declaration was adopted on August 14, 2003.			
LAND USE CATEGORY Commercial Service	COMBINING DESIGNATION Airport Review Area	ASSESSOR PARCEL NUMBER 076-512-029	SUPERVISOR DISTRICT(S) 3
PLANNING AREA STANDARDS: 22.108.020 - Areawide Standards, 22.108.050 -San Luis Obispo Urban Area Standards			
FINAL ACTION This tentative decision will become final action on the project, effective on the 15 th day following the administrative hearing, or on March 7, 2014, if no hearing was requested unless this decision is changed as a result of information obtained at the hearing or is appealed.			
SURROUNDING LAND USE CATEGORIES AND USES: <i>North:</i> Commercial Service/Undeveloped <i>East:</i> Agriculture/Grazing, vineyard <i>South:</i> Agriculture/vineyard <i>West:</i> Public Facilities/SLO County Regional Airport			
OTHER AGENCY / ADVISORY GROUP INVOLVEMENT: The project was referred to: Public Works, Ag Commissioner, CalFire, ALUC, City of San Luis Obispo			
TOPOGRAPHY: Mostly level		VEGETATION: Grasses	
PROPOSED SERVICES: Water supply: Community system Sewage Disposal: Community sewage disposal system Fire Protection: CalFire		ACCEPTANCE DATE: January 15, 2014	
EXISTING USES: Undeveloped			

PROJECT HISTORY/DESCRIPTION

Tract 2368, a 26-lot commercial service planned unit development subdivision, was approved by the Planning Commission in August 2003 and recorded in 2006. The subdivision included 23 developable lots and three parcels to be used for drainage basins, water facilities/storage and infrastructure.

Currently, there are several developments within the overall subdivision:

- i. a 9,700 square foot office building on Lot 7 (completed);
- ii. a 46,000 square foot office structure on old Lot 20 of Tract 2368 – amended to Lot 1 of COAL 11-086 with approval of the land use permit and concurrent lot line adjustment in 2011 (completed);
- iii. a 10,500 square foot warehouse building with outdoor storage yard on the subject site Lot 16 (completed);
- iv. a Conditional Use Permit for a 26,500 square foot office building on old Lot 19 (now Lot 3 of COAL 11-0086) was approved by the Planning Commission on September 13, 2012 and is currently under construction (completed);
- v. a Minor Use Permit for a 26,000 square foot building to house a small manufacturing company on Lot 17 was approved at a Planning Department Hearing on October 16, 2012;
- vi. a Minor Use Permit for two commercial buildings totaling 13,000 square feet with a 7,000 square foot outdoor storage yard on Lot 6 was approved on April 19, 2013;
- vii. a 10,600 square foot office building on Lot 12;
- viii. a 25,000 square foot, two-story building to house a small scale manufacturing and distribution company on Lot 15;
- ix. a Minor Use Permit for 2,998 square foot office building and 19,995 square foot outdoor storage on Lot 16 (most recent)

The assumptions during review of Tract 2368, in order to provide mitigation measures primarily for water supply and traffic, were that there would be a total of 1,000 employees once all of the parcels were developed. Overall structural development within the subdivision was limited to 500,000 square feet. Currently there are approx. 400 employees and 200,000 square feet of building in the entire Tract 2368. 10 lots have been developed or are under construction, with 13 lots left that are undeveloped.

Development associated with this Minor Use Permit is proposed on Lot 14 of Tract 2368. Lots 14, 15 and 16 of this subdivision are directly adjacent to the Tolosa vineyard and winery to the southeast. Conditions of approval were added to address potential incompatibilities between the agricultural use and commercial service uses, including landscaping, a requirement for a Minor Use Permit and right-to-farm disclosure.

All three of these parcels adjacent to the vineyard were reviewed and discussed with the Agricultural Commissioner's office. Their recommendation was to add a 200-foot buffer from the edge of the vineyard (the vineyard is currently 20 feet from the edge of the grapes to the property line) to any structure used for full-time employment; however, it was also stated that if the buildings were oriented with windows and the majority of the doors away from the existing agricultural operations and if the owner of the vineyard was notified of future development, they would not dispute a lesser buffer if justified in the staff report and recommendations. In this case, the building will be located approximately 163 feet from the edge of the vineyard; the majority of the operable windows face away from the vineyard and there are three roll-up doors that provide access to equipment repair bays at the rear of the property; there is a landscape plan showing landscape screening between the agricultural operations and proposed building;

and the building is oriented toward the front of the parcel. Therefore, staff is recommending that the project be approved as proposed with conditions added to address the adjacent agricultural operation.

The current proposal is for an approximately 8,059 square foot, two-story building to house an equipment rental and service company. The project is estimated to employ maximum 9 full-time employees once operational.

The proposed project is the tenth to be processed under the Department's recently initiated "Business Assistance Team" program, which has been endorsed by the Board of Supervisors as part of the **San Luis Obispo County Clusters of Opportunity Economic Strategy** prepared by the Economic Vitality Corporation. Under this process, new or expanding businesses that will provide good jobs within urban areas are essentially given priority processing by the Planning Department, as well as other referral agencies. In this case, the project will provide well-paying jobs in the manufacturing industry at a location adjacent to the City of San Luis Obispo in an approved business tract with existing infrastructure which has adequate public services.

PROJECT ANALYSIS

Ordinance Compliance:

<u>Standard</u>	<u>Allowed/Required</u>	<u>Proposed</u>
Minimum Site Area	None required	1.51 acres
Setbacks Front Side Rear	10 foot front 0 foot interior sides 0 foot rear	Front - Approximately 59 feet Side - 50 feet (north side) Side - 62 feet (south side) Rear - 143 feet
Height	35 feet	22' 2" feet
Parking	Equipment Rental - 1 space per 500 square feet of floor area (6,919 s.f.) = 13.5 spaces Storage area – 1 space/2,000 square feet of storage area (983 s.f.)= 0.5 space Total = 14 spaces	14 spaces provided
Signs	100 square feet maximum for the site (cumulative sign area) Monument signs = 4 foot maximum height per original CUP conditions of approval	No specific proposal at this time (Ordinance requirements for signs, including of 100 square foot maximum for site will be enforced)

Landscaping

These standards are superseded by more stringent requirements set forth in the San Luis Obispo planning area plan and conditions of approval from the previous Conditional Use Permit (please see Table 1, attached, detailing the previous conditions of approval and how the project meets each specific condition).

Fencing and Screening

These standards are superseded by more stringent planning area standards and conditions of approval from the previous Conditional Use Permit.

PLANNING AREA STANDARDS

22.108.020 - Areawide Standards:

Applicable standards include undergrounding of utilities, application referral to the City of San Luis Obispo, transit-oriented standards and highway corridor design. As proposed and conditioned, the project meets these standards (see discussion below).

Staff comments: A condition has been added to the project that all utilities shall be installed underground. The application was referred to the City of San Luis Obispo Community Development Department and Public Works Department for review and comment. Transit-oriented standards pertain to projects with employment centers of 100 jobs or more. When the subdivision was being finalized, the applicant at that time paid into a regional transportation fund to provide bus service in the area. The Regional Transit Authority does not have a bus stop next to this subdivision or at the San Luis Obispo Regional Airport, but does have a stop within approximately one mile of the project (at the Marigold Center in the City of San Luis Obispo). Highway corridor design standards were incorporated into the original conditions of approval for the subdivision and the prior Conditional Use Permit including building and landscape corridors, limited fencing, and screening of parking areas.

22.108.050 –San Luis Obispo Urban Area Standards:

Applicable standards include providing an on-site water supply, limitations on use, airport area standards, landscaping standards and an allowance for a reduction in the number of required parking spaces. As proposed and conditioned, the project complies with these standards (see discussion below).

Staff comments: The project is served by the Fiero Lane Water Company for water and sewer. With regard to the airport area standards, the subdivision was required to design for dry sewer and water facilities for future connection to City systems if annexed in the future, and is required to have the wastewater system inspected annually.

Office, equipment rental and storage uses are allowable within the Commercial Service land use category with some exceptions outlined in Section 22.108.50(D)(2) of the Land Use Ordinance. The proposed equipment rental company is an allowable use within the land use category.

In addition, conditions have been added regarding business license clearance and a limitation on the height of free-standing signs.

Preliminary landscape plans have been designed to comply with planning area standards and previous conditions of approval to screen parking areas using native, drought-tolerant landscape plants and materials along with street trees along the frontage of the public streets.

The required number of parking spaces for the current proposal is 14; the site plan shows 14 finished spaces. In addition, Low Impact Design (LID) measures have been incorporated into the project site design including bio-swales and detached downspouts. By incorporating these features into the current parking lot design, it allows for a more comprehensive and effective drainage system which can be constructed at one time.

COMBINING DESIGNATIONS

Airport Review Area (AR)

Properties located in the AR area are required to have Airport Land Use Commission (ALUC) review to allow for a determination of consistency with the Airport Land Use Plan (ALUP). Tract 2368, a 26-lot commercial service planned unit development subdivision was reviewed by the ALUC on April 4, 2001. The project was found consistent with ALUP. A few of the design elements of the tract resulted from that review. The most significant is the somewhat perpendicular alignment of Kendall Road with the Runway 7-25 and wide dimension of Kendall Road, free from street light poles and center divider trees. The rationale behind this street alignment was to have an open and suitable area for an aircraft to touchdown in the case of an engine/mechanical failure at either a departure or approach to Runway 7-25. The orientation, alignment and wide dimension of Kendall Road also allows for an Airport Compatible Open Space inside this tract, which according to the ALUP, allows for an increase in non-residential density from 40 people per acre to a maximum of 50 people per acre.

Another notable condition set forth by the ALUC was that future projects within Tract 2368 comply with the current ALUP regarding density. The ALUP allows up to 50 people per acre in Safety Area S-1c, therefore, the allowable density is 50 people x 1.51 acres = 75 people maximum on this site. As previously stated, the project is estimated to employ a maximum of 9 full-time employees once fully staffed and operational at the completion of construction. This number is consistent and well below the maximum number of people allowed on the site by the ALUP. Future development on the property will also need to comply with this density standard.

Condition Compliance with the previously approved CUP

Table 1 is attached to this staff report and it provides a detailed analysis of the proposed project's compliance with the prior CUP. In summary, the proposed project complies with the conditions of approval from the earlier CUP. Where applicable, those conditions have been carried forward to this project.

ENVIRONMENTAL DETERMINATION

Since the project was approved in 2003, a new Clean Air Plan was adopted by the Air Pollution Control District (APCD). The conditions of approval incorporate the new policies and standards from the 2009 Clean Air Plan. Conditions of approval have been added accordingly and do not represent a significant change to the previously adopted Mitigated Negative Declaration warranting additional environmental review.

AGENCY REVIEW

Public Works – No concerns, provided conditions of approval are met

Agricultural Commissioner's Office – Require 200-foot buffer, or provide measures to minimize impacts to adjacent vineyard

CalFire – Comments received November 13, 2013

ALUC – Issues resolved in review of Tract 2368

City of San Luis Obispo – No comments received

Staff Comments

At the time the final tract map was recorded, the applicant was required to pay City traffic impact fees (\$200,000 [\$57/ADT]). A receipt for these fees was provided by the applicant's agent. No additional traffic fees are considered necessary as the project falls within the parameters reviewed at the time the subdivision was approved.

LEGAL LOT STATUS

The lot was legally created by a recorded map (Lot 14 of Tract 2368) at a time when that was a legal method of creating lots.

Staff report prepared by Schani Siong and reviewed by Stephanie Fuhs and Bill Robeson.